



OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

# HIGHLIGHTS

---

April 23, 2014

## Corporate Succession Planning Program

Report Number HR-MA-14-006

### **BACKGROUND:**

U.S. Postal Service workforce demographics are rapidly changing and a large percentage of its executives could soon retire. Specifically, in fiscal year (FY) 2012, 35 percent of Postal Service executives were eligible to retire and that number will grow to 49 percent within 3 years. To ensure continuity of expertise in executive positions, the Postal Service must identify and develop talented individuals to fill future vacancies. It uses its Corporate Succession Planning (CSP) program to identify and develop top performing employees for new or expanded executive roles.

About 30 percent of potential successors are eligible to retire now, and 73 percent will be eligible in the next 7 years. In FY 2012, management revised the program from a self-nominated to an executive-nominated program and expanded it to include top performers early in their career progression.

About every 2 years, management nominate new employees to the program and measure the program's success by the availability of qualified successors when vacancies arise. In FY 2013 with a goal of 95 percent, the Postal Service filled 94 percent of vacant executive positions with candidates from the CSP program. Of the remaining 6 percent, 4 percent were

postal employees not in the program and 2 percent were external hires.

Our objective was to assess the CSP program and determine whether Postal Service officials are effectively managing it to identify and develop potential leaders for executive management positions.

### **WHAT THE OIG FOUND:**

The Postal Service has established a CSP program that includes many best practices for successful organizations; however, it can improve the program.

Generally, the Postal Service effectively administers the CSP program to identify and develop potential leaders to fill executive management positions. However, we found that 289 days after the approval deadline, management had not approved 621 of the 3,624 developmental activities we reviewed (17 percent). This occurred because some managers did not make approving these activities a priority. These delays hinder potential successors' ability to develop skills they need for leadership positions.

### **WHAT THE OIG RECOMMENDED:**

We recommended management enhance controls to ensure potential successors' developmental activities are approved in a timely manner.